

ST 02-0012-GIL 01/16/2002 EXEMPT ORGANIZATIONS

The United States State Department, Office of Foreign Missions, issues tax exemption identification cards to certain accredited diplomatic personnel and consular offices under the authority of the Foreign Missions Act (22 U.S.C. 4301 et seq.). These cards can be presented at point of sale to document exemption from sales tax. See 86 Ill. Adm. Code 130.2080(c) and 130.Illustration A. (This is a GIL).

January 16, 2002

Dear Xxxxx:

This letter is in response to your letter dated January 8, 2002 to Director of Revenue Glen Bower. Director Bower has asked that I respond to your letter.

In your letter, you have stated and made inquiry as follows:

As the government representative office in CITY, we would like to request your assistance in handling the tax exemption status of my office, which is entitled by the Department of State, U.S.A.

Last December I bought furniture for my office in the AAA and showed my tax exemption card to ask tax exemption. However, unfortunately the AAA rejected it and asked me contacting your office to obtain the 'exemption letter'. It is the first time for my office as a foreign government office receiving such unfair treatment. Here, I would like to explain to you that according to the agreement between U.S. and government, and the 'Act', the State Department of U.S.A. gives the privilege tax exemption status to my office, which exemption (not only income tax but sales tax) can be implemented around U.S. So there is no reason for any company or shop to reject this exemption status.

Therefore, I request your office could assist issuing an exemption letter for my office or contact the AAA to make the tax creditable. Please enclosed find the copy of my photo I.D. and tax exemption card for your reference. Have you any questions, you can contact . We hope the matter can be resolved very soon.

Thank you very much for your attention and assistance. If you still have questions, please feel free to contact me.

As you know, the United States State Department, Office of Foreign Missions, issues tax exemption identification cards to certain accredited diplomatic personnel and consular officials under the authority of the Foreign Missions Act (22 U.S.C. 4301 et seq.). These cards are valid nationwide and can be presented at point of sale to document exemption from sales tax. Please refer to 86 Ill. Adm. Code 130.2080(c) and 130.Illustration A, enclosed, for examples of the various diplomatic exemption cards.

The card you submitted is a valid exemption card. We agree that you were wrongfully denied your sales tax exemption upon your purchase of the furniture. The letter from AAA that you included with your correspondence indicates that Department of Revenue personnel advised AAA that you needed to seek a tax exempt letter. Apparently, either AAA misunderstood the advice given to it by the Department, or the advice given was incorrect. Presentation of your tax exemption card to AAA is sufficient documentation of the exemption.

Please be advised that under existing statutory provisions, a customer such as you cannot file a claim directly with the Department to get a refund of sales tax. Rather, a procedure exists for the business to refund the tax to you and then file an amended return in conjunction with a claim for credit. We are contacting AAA to explain the status of your exemption card and make him aware of this procedure. I regret the inconvenience this has caused you.

Very truly yours,

Keith Staats
General Counsel

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Enc.